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CLICK HERE FOR THE DIRECTOR OF REGIONAL PLANNING REPORT DATED APRIL 14, 2016

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### Los Angeles County Department of Regional Planning

Planning for the Challenges Ahead



April 14, 2016

TO:

Supervisor Hilda L. Solis, Chair

Supervisor Mark Ridley-Thomas

Supervisor Sheila Kuehl Supervisor Don Knabe

Supervisor Michael D. Antonovich

FROM:

Richard J. Bruckner

Director

REPORT ON BOARD MOTION REGARDING THE EQUITABLE DEVELOPMENT WORK PROGRAM (AGENDA ITEM NO. 2, DECEMBER 8, 2015)

On December 8, 2015, the Los Angeles County Board of Supervisors (Board) instructed the Director of the Department of Regional Planning (DRP), in coordination with the directors of other appropriate departments, potentially including but not limited to Public Works (DPW), Public Health (DPH), Parks and Recreation (DPR), Community Development Commission (CDC), County Counsel, and the Fire Department (FD), to initiate an Equitable Development Work Program consisting of the following:

- Update the Density Bonus Ordinance to further ease and incentivize the development of affordable housing. The update should reflect state law changes effected by Assembly Bill (AB) 2222 and AB 744, including the incorporation of a "no net loss" policy and parking requirement revisions; establish targets for deeper and higher levels of affordability, including a category for extremely low-income households; and other changes to strengthen the effectiveness of the ordinance.
- Initiate discussions with the City of Los Angeles on a nexus study for the creation of a linkage fee.
- Provide a menu of options for the implementation of an inclusionary housing program.
  The program should consider on-site affordable units as a mandatory component of
  for-sale housing projects and propose approaches to requiring rental projects to
  provide on-site affordable units in exchange for discretionary entitlements, public
  subsidy, and other public concessions.
- Review the regulatory barriers to the establishment and expansion of community land trusts and other shared equity models, and potential incentives to provide their greater adoption.

- Propose additional strategies to preserve existing affordable housing and incentivize the protection of new affordable housing; identify any necessary procedural and state and local legislative adjustments.
- Produce a map of contaminated sites, such as Superfund sites, brownfields, and toxic "hotspots" in the unincorporated areas, and provide recommendations on targeted land use policies that can be used to improve the health and quality of life for surrounding residents.
- Develop tools, including heat maps, equity scorecards, healthy design guidelines, and other approaches to evaluate, monitor, and advance equity objectives in the implementation of the General Plan, using relevant data from other County departments as necessary to ensure a comprehensive analysis.
- Direct the Director of the DRP to develop a framework for facilitating robust engagement with affordable housing, economic development, and environmental justice experts designed to provide technical assistance in carrying out this work and to support the Board in strengthening these equitable development tools and exploring new policies that promote equitable growth. The framework may include establishment of an advisory committee.
- Develop the Equitable Development Work Program in consultation with the Healthy Design Workgroup, the Homeless Initiative, and the Affordable Housing Steering Committee, to ensure efficiencies and coordination, and report back to the Board in writing quarterly with an update on the status of implementation and a timeline for the advancement of ongoing initiatives.
- Chief Executive Officer to coordinate with the Director of the DRP and other departments, and to include real estate development and building industry experts in the potential advisory committee and outreach of the Equitable Development Work Program.
- To include the following in the report back to the Board: An explanation of AB 2222 and the "no net loss" policy; whether density bonuses are ministerial or require a public hearing; whether density bonuses are usually met with community opposition because additional California Environmental Quality Act (CEQA) analysis is not required, but create additional traffic; whether density bonuses are subject to the same parking requirements as market rate units; the definition of a linkage fee; the necessary analysis to determine the impact a linkage fee will have on housing development; the reason for joining with the City of Los Angeles on a linkage fee study and how the revenue would be split with them; whether DRP has the resources to deal with proposed linkage fees; the number of units necessary to have a mandatory affordable housing program; the definition of a community land trust; examples of other shared equity models; the definition of equity scorecards and how they can be used for or

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against new development; whether the objectives can be accomplished in an individual Community Standards District or Countywide; and whether to include representatives from the development community, including builders, engineers and architects on the advisory council.

This report back provides an overview of DRP's and other relevant departments' efforts over the first quarter of 2016. It also provides additional clarifying information as requested by the Board.

### I. AFFORDABLE HOUSING

### **Density Bonus Ordinance**

AB 2222 (Nazarian) is a bill that amended the State Density Bonus Law and became effective in 2015. The bill extends the duration of affordability for rental projects from a minimum of 30 years to 55 years. It also extends the provision for for-sale projects, which requires that the initial occupant be qualified and be subject to equity sharing upon resale, to affordable housing set asides for very low and lower income households. Furthermore, the bill includes a replacement or "no net loss" requirement, which prohibits density bonuses for projects unless onsite housing is accounted for and replaced. Affected properties are those that are or were considered affordable to very low and lower income households during the past five-year period.

DRP is currently updating the County's Density Bonus Ordinance. Under the County's existing Density Bonus Ordinance (adopted in 2006), projects are subject to an administrative review if generally consistent with the State Density Bonus Law, or discretionary review. Density bonus projects are not subject to the same parking requirements as non-density bonus projects, but the parking rates prescribed in the State Density Bonus Law. Parking reductions may also be requested as an incentive, or as a waiver or modification to a development standard, per the State Density Bonus Law. Affordable housing can be met with opposition from members of the community for a number of reasons, including traffic and the scale/height of the building. However, staff's observation over the past decade of implementing the Density Bonus Ordinance is that traffic and CEQA have not frequently been raised as major concerns for administratively reviewed projects.

In this first quarter, DRP met with CDC to identify and discuss common issues and challenges in permit processing, affordable housing monitoring, and fee and penalty collection. DRP will continue to coordinate with CDC to streamline the permitting process and monitoring procedures. In addition, DRP formed an internal work group comprised of case processing staff to identify common problems in the current permitting process for density bonus projects. Finally, DRP worked with County Counsel to prepare a draft interim memo to implement AB 2222 to facilitate continued compliance with the State Density Bonus Law until the ordinance update is completed.

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### Linkage Fee

A linkage fee is a fee on new development to fund affordable housing. The fee is based on the premise that employment-generating uses create a demand for affordable and workforce housing. A study is required to demonstrate the nexus between new development and the demand for affordable and workforce housing, determine fees that are proportionate to the impacts, and to assess the economic feasibility of the proposed fees. The City of Los Angeles has indicated its intent to prepare a nexus study and establish a linkage fee on new development. DRP has had a brief conversation with City of Los Angeles staff, and at this time, have committed to coordinating to identify opportunities for collaboration and information exchange.

In this first quarter, DRP focused on securing funding for the study and coordinating with the Homeless Initiative Team at the Chief Executive Office (CEO) to develop Strategy F2: Linkage Fee Nexus Study. DRP also hosted a discussion with a team of housing and redevelopment experts on the best approach to understanding the applicability and impact that a linkage fee would have on the unincorporated areas. The next step is to develop a scope of work for a consultant team that can prepare the necessary analyses for a comprehensive affordable housing strategy that is tailored for the unincorporated areas.

### Inclusionary

In this first quarter, DRP has been tracking AB 2501 (Mullin and Chiu), which allows a local jurisdiction to establish, as a condition of development, inclusionary housing requirements. The next step is to develop a scope of work for a consultant team that can prepare the necessary analyses for a comprehensive affordable housing strategy that is tailored for the unincorporated areas (as previously discussed in the Linkage Fee Section). This analysis will help inform the number of units necessary to have a mandatory affordable housing program for the unincorporated areas.

### Community Land Trust and Other Shared Equity Models

Shared equity refers to an affordable homeownership strategy that emphasizes long-term affordability. A community land trust is a shared equity model that removes the cost of land from the sale price of the home. The buyer leases the land from a community land trust, which is a third party (such as a non-profit) that owns and manages the land. Other roles that a community land trust might play include land acquisition and offering homeownership education.

Other shared equity models include deed restricted housing with a resale restriction recorded with the property for a given period of time, and limited equity housing cooperatives, in which buyers purchase a share of stock in the cooperative, which entitles them to occupy a unit at an affordable rate. There are no barriers today from the County to work with community land trusts to develop affordable housing. DRP will continue to evaluate community land trusts and other shared equity models, and incorporate them into affordable homeownership strategies

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as appropriate. As previously discussed, this will be included in the scope of work for a consultant team that can prepare the necessary analyses for a comprehensive affordable housing strategy that is tailored for the unincorporated areas.

### II. ENVIRONMENTAL JUSTICE

### **Toxic Hotspots Map**

The Toxic Hotspots Map, which will identify locations of various stationary pollution sources Countywide, is being developed to inform the development of the Green Zones Program. The Green Zones Program is a multi-year environmental justice effort to address undue pollution burden in communities that also experience socio-economic challenges.

In this first quarter, DRP conducted research on various data sources and background information. Data sources include CalEnviroscreen 2.0, as well as data from the United States Environmental Protection Agency (EPA) and the California Environmental Protection Agency. DRP also initiated conversations with DPH's Toxic Threat Strike Team to coordinate efforts and learn about challenges at the community level that are not captured in federal or state data. DRP will continue to collect and organize various data sources from the federal and state agencies, while collaborating with other County departments to gather input on local conditions. DRP anticipates having a draft map by the next quarterly report.

### III. TOOLS

### **Equity Scorecard**

The Equity Scorecard Committee (ESC) was created in conjunction with the Healthy Design Workgroup to develop the Equity Scorecard, a data-driven tool that could be used to evaluate, monitor, and advance equity objectives in the implementation of the General Plan. The ESC brings together the Geographic Information Systems (GIS)/data management and policy advisory staff from various departments including DRP, DPW, DPH, CEO, Chief Information Office (CIO), DPR, Internal Services Department (ISD), and FD. During the reporting period, the ESC convened twice (on February 24, 2016 and March 31, 2016) to develop its mission statement, define "equity," discuss the potential uses of the tool, identify potential data sources, and develop the project timeline. DRP will continue to lead and coordinate the activities of the ESC and its three subcommittees – Policy Advisory, GIS/Data Management, and Public Outreach. In addition, DRP reached out to Metro, DPH Health Impact Evaluation Center, and the CEO on the County's involvement in the Local and Regional Government Alliance on Race & Equity to discuss concurrent and related initiatives, and to explore opportunities for collaboration and coordination. This process will be facilitated over the course of a year.

### IV. STAKEHOLDER ENGAGEMENT

In February 2016, DRP initiated conversations with a group of stakeholders to provide an overview of the Equitable Development Work Program and to garner input on developing a framework for robust community engagement. Representatives included legal aid organizations, non-profits, funders, community organizers, public health experts, and affordable housing developers. The group discussed the challenges and opportunities of ensuring meaningful community engagement, given the complexity and scale of the unincorporated areas. The group also provided preliminary policy recommendations and pointed to helpful resources. DRP will reconvene the group in early May, and include builders, engineers, architects, and representatives from the real estate and building industry.

In the first quarter, DRP also initiated conversations with a small group of environmental justice advocates and agencies—primarily through the Los Angeles Environmental Justice Network. To date, DRP has convened three meetings to receive stakeholder input on the Green Zones Program and the Recycling and Solid Waste Ordinance.

Overall, stakeholders are encouraged by the Board's direction to integrate equity and environmental justice into the implementation of the General Plan.

The next report back will be provided to you no later than June 30, 2016.

Should you have any questions about this report, please contact Connie Chung, General Plan Development and Housing Section, at (213) 974-6417 or cchung@planning.lacounty.gov.

RJB:MC:CC:cc:ems

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County Counsel
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Community Development Commission
Fire Department
Internal Services
Parks and Recreation
Public Health
Public Works



# Los Angeles County Department of Regional Planning



Planning for the Challenges Ahead

June 30, 2016

TO:

Supervisor Hilda L. Solis, Chair

Supervisor Mark Ridley-Thomas

Supervisor Sheila Kuehl Supervisor Don Knabe

Supervisor Michael D. Antonovich

FROM:

Richard J. Bruckner,

Director

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  ordinance.
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- Review the regulatory barriers to the establishment and expansion of community land trusts and other shared equity models, and potential incentives to provide their greater adoption.
- Propose additional strategies to preserve existing affordable housing and incentivize the protection of new affordable housing; identify any necessary procedural and state and local legislative adjustments.
- Produce a map of contaminated sites, such as Superfund sites, brownfields, and toxic "hotspots" in the unincorporated areas, and provide recommendations on targeted land use policies that can be used to improve the health and quality of life for surrounding residents.
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representatives from the development community, including builders, engineers and architects on the advisory council.

This report back provides an overview of DRP's and other relevant departments' efforts over the second quarter of 2016. It also provides additional clarifying information as requested by the Board.

### I. AFFORDABLE HOUSING

### **Density Bonus Ordinance**

In this second quarter, DRP met with CDC to continue discussing common problems and challenges in permit processing, affordable housing monitoring, and fee and penalty collection. This will be used to inform the development of the draft ordinance. DRP will continue to coordinate with CDC to streamline the permitting process and improve monitoring procedures. In addition, DRP worked with County Counsel to finalize a draft interim memo to implement AB 2222 to facilitate continued compliance with the State Density Bonus Law until the ordinance update is completed. The interim memo, which is currently being reviewed by stakeholder groups and housing advocates, is anticipated to be issued in early July.

## <u>Linkage Fee, Inclusionary Housing, Affordable Housing Preservation, and</u> Community Land Trusts and Other Shared Equity Models

In this second quarter, DRP developed a scope of work for a consultant team that can prepare the necessary analyses for a comprehensive affordable housing strategy that is tailored for the unincorporated areas, and will include considerations for a linkage fee on development, inclusionary housing, affordable housing preservation, and community land trusts and other shared equity models. In May 2016, staff attended a workshop on community land trusts and cooperatives hosted by the nonprofit group T.R.U.S.T. South Los Angeles.

## Other Affordable Housing Efforts: Second Unit Ordinance Update and Pilot Program

As part of the Homeless Initiative, DRP is updating the Second Unit Ordinance to reduce obstacles to producing and preserving this lower-cost housing option. DRP is also working with CDC to create a Second Unit Pilot Program to create, rehabilitate, or improve the design of second units. During the reporting period, DRP has been meeting internally, with CDC, and with a broader interdepartmental Second Unit Pilot Program working group to discuss policy proposals and program design. DRP also attended a community event to solicit input from designers and housing advocates on regulatory challenges to creating second units, and on the design of the Second Unit Pilot Program.

### II. ENVIRONMENTAL JUSTICE

### Toxic Hotspots Map/Green Zones Program

In the second quarter, DRP continued to collect various federal and state data sources for the toxic hotspots map, based on the input from the stakeholder groups and state agency staff. DRP initiated conversations with FD, DPH, and DPW regarding the types and availability of local data, as well as ways to coordinate the efforts to refine a preliminary draft of the toxic hotspots map. DRP anticipates completion of the draft Toxic Hotspots Map by the end of next quarter. DRP will also initiate community outreach for the Green Zones Program based on the map results as well as recommendations from stakeholder groups to develop land use policies, development standards, and procedural changes that will implement the County's equity and environmental justice goals.

### Other Environmental Justice Efforts: Recycling and Solid Waste Ordinance

To support the County's environmental justice and sustainability efforts, DRP is developing an ordinance to amend Title 22 to include definitions, standards, and uses related to recycling and solid waste facilities. The Ordinance will establish permitted uses within the Zoning Code and will serve as a permitting pathway in conjunction with the DPW, DPH, and other County departments and state agencies. The Ordinance will encourage recycling and solid waste facilities in a manner that protects sensitive receptors, helps achieve sustainability and climate goals, and promotes local management of solid waste. DRP has been working closely with County departments and Environmental Justice stakeholders to develop a draft ordinance, which will be completed in 2017. DRP will begin conducting broader outreach with community members, operators of recycling and solid waste facilities, and other stakeholders next quarter. DRP anticipates that an Environmental Impact Report and final ordinance will be completed in 2018.

### III. TOOLS

### **Equity Scorecard**

During the second quarter, training on racial equity was provided to the Equity Scorecard Committee (ESC) by the Government Alliance on Race and Equity (GARE). Staff also met with representatives from the County GARE cohort to continue to identify opportunities for collaboration. The ESC also convened on June 9, 2016 to discuss the Parks Needs Assessment. The ESC discussed how the methodology, process, and findings of the Parks Needs Assessment could be used to inform the development of the Equity Scorecard mapping application. DRP also developed a prototype of the mapping application and demonstrated it at the ESC meeting to garner feedback and

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comments. DRP will continue to lead and coordinate the activities of the ESC and its three subcommittees – Policy Advisory, GIS/Data Management, and Public Outreach.

### IV. STAKEHOLDER ENGAGEMENT

During the second quarter, DRP reconvened the group of stakeholders, comprised of representatives from legal aid organizations, funders, community organizers, public health experts, and affordable housing developers, in May 2016 and expanded it to include architects and representatives from the real estate and building industry. The group received updates on DRP equity programs including the Equity Scorecard, Recycling and Solid Waste Ordinance, Green Zones Program, Density Bonus Ordinance update, Inclusionary Housing, Linkage Fee, community land trusts, incentive zoning/value capture, and the Second Unit Ordinance update and pilot program. The group discussed DRP's approach to implementing AB 2222 and stakeholders offered to share data and connect the County with additional stakeholders and sources of technical assistance. DRP will reconvene the group in July 2016.

In addition, during the second quarter, DRP continued to meet with the Los Angeles Environmental Justice Network, and also initiated conversations with environmental justice advocates and agencies. DRP hosted its first LA County Green Zones Stakeholder Meeting on June 22, 2016, and was attended by environmental justice advocates, County departments, State agency staff, and researchers. To date, DRP has convened three meetings to receive stakeholder input on the Green Zones Program and the Recycling and Solid Waste Ordinance. DRP has also been exploring additional ways to conduct outreach to Los Angeles County's dispersed urban Indian population. DRP staff attended the Cal State Dominguez Hills Pow Wow and has been in contact with several Native American community organizations, as well as health service organizations to partner in communication efforts.

DRP is currently developing web resources for stakeholders to access detailed descriptions and information on the status of the programs discussed.

The next report back will be provided to you no later than September 30, 2016.

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Should you have any questions about this report, please contact Connie Chung, General Plan Development and Housing Section, at (213) 974-6417 or cchung@planning.lacounty.gov.

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### Los Angeles County Department of Regional Planning



Planning for the Challenges Ahead

September 30, 2016

TO:

Supervisor Hilda L. Solis, Chair

Supervisor Mark Ridley-Thomas

Supervisor Sheila Kuehl Supervisor Don Knabe

Supervisor Michael D. Antonovich

FROM:

Richard J. Bruckner

Director

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- Produce a map of contaminated sites, such as Superfund sites, brownfields, and toxic "hotspots" in the unincorporated areas, and provide recommendations on targeted land use policies that can be used to improve the health and quality of life for surrounding residents.
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- Instruct the Director of Planning to develop a framework for facilitating robust engagement with affordable housing, economic development, and environmental justice experts designed to provide technical assistance in carrying out this work and to support the Board in strengthening these equitable development tools and exploring new policies that promote equitable growth. The framework may include establishment of an advisory committee.
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This report provides an overview of DRP's and other relevant departments' efforts over the third quarter of 2016.

### I. AFFORDABLE HOUSING Density Bonus Ordinance

During the third quarter, DRP issued an interim memo to implement AB 2222 to facilitate continued compliance with the State Density Bonus Law until the ordinance update is completed. DRP also met with CDC to continue discussing common problems and challenges in permit processing, affordable housing monitoring, and fee and penalty collection. DRP will continue to coordinate with CDC to streamline the permitting process and improve monitoring procedures.

## <u>Linkage Fee, Inclusionary Housing, and Community Land Trusts and Other Shared Equity Models</u>

During the third quarter, DRP released a Request for Proposals for a consultant to prepare an Affordable Housing Action Plan that includes requisite studies to support the establishment of a linkage fee and inclusionary housing policy. The Action Plan will include specific policy recommendations and actions for the establishment of linkage fees, an inclusionary housing policy, community land trusts, affordable housing preservation, and any additional policies to encourage affordable housing in the unincorporated areas.

## Other Affordable Housing Efforts: Second Unit Ordinance Update and Pilot Program

During the third quarter, DRP met internally with County Counsel, CDC, the Chief Executive Office, and with a broader interdepartmental Second Unit Pilot Program working group to review a draft ordinance update and discuss program design. DRP also convened a meeting with designers to discuss ideas for involving design professionals in the Second Unit Pilot Program.

## II. ENVIRONMENTAL JUSTICE <u>Toxic Hotspots Map/Green Zones Program</u>

During the third quarter, DRP continued to collect various federal, state and local data sources for the toxic hotspots map. Based on the input from stakeholder groups and state agency staff, DRP explored ways to further develop the map to help review and analyze the cumulative impacts of pollution on health and exposure risk. DRP will also initiate community outreach for the Green Zones Program based on the map results as well as recommendations from stakeholder groups to develop land use policies, development standards, and procedural changes that will implement the County's equity and environmental justice goals.

## Other Environmental Justice Efforts: Recycling and Solid Waste Ordinance

During the third quarter, staff attended DPW's SoCal Conversion Technology Conference as well as a CalRecycle Environmental Justice community meeting. Staff also toured facilities and had conversations with recycling operators. DRP will begin conducting broader outreach with community members, operators of recycling and solid waste facilities, and other stakeholders in early 2017. DRP anticipates that an Environmental Impact Report will be needed and that the final ordinance will be completed in 2018.

### III. TOOLS

### **Equity Indicators**

During the third quarter, the Equity Indicators Workgroup established three technical subcommittees: Policy Advisory; GIS/Data Management; and Outreach and Engagement. The Policy Advisory subcommittee convened twice to review the purpose of the tool and begin selection of potential equity indicators. The GIS/Data Management subcommittee met once to discuss available technologies for data reporting and visualization. DRP will continue to lead and coordinate the activities of the Equity Indicators Workgroup and its three subcommittees. In the next quarter, the Workgroup will develop a draft set of equity indicators and a mock-up GIS tool.

DRP also attended a train-the-trainer Racial Equity Training, hosted by the Government Alliance on Race and Equity (GARE), and has continued to meet with representatives from the County GARE cohort to identify opportunities for collaboration.

DRP also briefed a subcommittee of the Community Population Health Task Force at the DPH about the Equitable Development Work Program. The task force will identify areas for collaboration between these parallel efforts.

### IV. STAKEHOLDER ENGAGEMENT

During the third quarter, DRP reconvened the group of stakeholders, comprised of representatives from legal aid organizations, funders, community organizers, public health experts, and affordable housing developers, architects and representatives from the real estate and building industry. DRP provided the group with a draft list of equity indicators and resources, and the stakeholders responded with feedback and written comments. DRP also provided updates on the Equitable Development Work Program.

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In addition, during the third quarter DRP continued to meet with stakeholders and staff from various departments and agencies to discuss environmental justice. DRP hosted its second LA County Green Zones Stakeholder Meeting on September 12, 2016. It was attended by environmental justice advocates, County departments, state agency staff, and researchers. DRP also convened inter-agency coordinating committee meetings on July 12 and August 12, 2016, to discuss current environmental regulations and review processes, as well as ways to improve coordination among agencies. Both stakeholders and the inter-agency committee provided input on the Green Zones Program and the Recycling and Solid Waste Ordinance. In addition, DRP staff attended environmental justice workshops hosted by California Environmental Justice Alliance and Liberty Hill Foundation to build partnerships and learn from the experiences of the advocates and community organizations.

DRP is currently developing web resources for stakeholders to access detailed descriptions and information on the status of the programs discussed.

The next report back will be provided to you no later than December 31, 2016.

Should you have any questions about this report, please contact Connie Chung, General Plan Development and Housing Section, at (213) 974-6417 or <a href="mailto:cchung@planning.lacounty.gov">cchung@planning.lacounty.gov</a>.

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Director

REPORT ON BOARD MOTION REGARDING THE EQUITABLE DEVELOPMENT WORK PROGRAM (AGENDA ITEM NO. 2, DECEMBER 8, 2015)

On December 8, 2015, the Los Angeles County Board of Supervisors (Board) instructed the Director of Planning, in coordination with the directors of other departments, including but not limited to Public Works (DPW), Public Health (DPH), Parks and Recreation, Community Development Commission (CDC), County Counsel, and the Fire Department, to initiate an Equitable Development Work Program consisting of the following:

- Update the Density Bonus Ordinance to further ease and incentivize the
  development of affordable housing. The update should reflect state law changes
  effected by Assembly Bill (AB) 2222 and AB 744, including the incorporation of a
  "no net loss" policy and parking requirement revisions; establish targets for deeper
  and higher levels of affordability, including a category for extremely low-income
  households; and other changes to strengthen the effectiveness of the ordinance.
- Initiate discussions with the City of Los Angeles on a nexus study for the creation of a linkage fee.
- Provide a menu of options for the implementation of an inclusionary housing program. The program should consider on-site affordable units as a mandatory component of for-sale housing projects and propose approaches to requiring rental projects to provide on-site affordable units in exchange for discretionary entitlements, public subsidy, and other public concessions.
- Review the regulatory barriers to the establishment and expansion of community land trusts and other shared equity models, and potential incentives to provide their greater adoption.
- Propose additional strategies to preserve existing affordable housing and incentivize the protection of new affordable housing; identify any necessary procedural and state and local legislative adjustments.

- Produce a map of contaminated sites, such as Superfund sites, brownfields, and toxic "hotspots" in the unincorporated areas, and provide recommendations on targeted land use policies that can be used to improve the health and quality of life for surrounding residents.
- Develop tools, including heat maps, equity scorecards, healthy design guidelines, and other approaches to evaluate, monitor, and advance equity objectives in the implementation of the General Plan, using relevant data from other County departments as necessary to ensure a comprehensive analysis.
- Instruct the Director of Planning to develop a framework for facilitating robust engagement with affordable housing, economic development, and environmental justice experts designed to provide technical assistance in carrying out this work and to support the Board in strengthening these equitable development tools and exploring new policies that promote equitable growth. The framework may include establishment of an advisory committee.
- Develop the Equitable Development Work Program in consultation with the Healthy Design Workgroup, the Homeless Initiative, and the Affordable Housing Steering Committee, to ensure efficiencies and coordination, and report back to the Board in writing quarterly with an update on the status of implementation and a timeline for the advancement of ongoing initiatives.
- Chief Executive Officer to coordinate with the Director of Planning and other departments, and to include real estate development and building industry experts in the potential advisory committee and outreach of the Equitable Development Work Program.
- To include the following in the report back to the Board: An explanation of AB 2222 and the "no net loss" policy; whether density bonuses are ministerial or require a public hearing; whether density bonuses are usually met with community opposition because additional California Environmental Quality Act analysis is not required, but create additional traffic; whether density bonuses are subject to the same parking requirements as market rate units; the definition of a linkage fee; the necessary analysis to determine the impact a linkage fee will have on housing development; the reason for joining with the City of Los Angeles on a linkage fee study and how the revenue would be split with them; whether the Department of Regional Planning (DRP) has the resources to deal with proposed linkage fees; the number of units necessary to have a mandatory affordable housing program; the definition of a community land trust; examples of other shared equity models; the definition of equity scorecards and how they can be used for or against new development; whether the objectives can be accomplished in an individual Community Standards District or Countywide; and whether to include representatives from the development community, including builders, engineers and architects on the advisory council.

This report provides an overview of DRP's and other relevant departments' efforts over the fourth quarter of 2016.

## I. AFFORDABLE HOUSING <u>Density Bonus Ordinance</u>

During the fourth quarter, DRP prepared an interim memo to assist with the implementation of new state laws on density bonuses that take effect on January 1, 2017 (AB 2501 (Bloom), AB 2442 (Holden), AB 2556 (Nazarian), and AB 1934 (Santiago)). The interim memo will ensure continued compliance with the State Density Bonus Law until the ordinance update is completed. The next project milestone is to release a draft of the ordinance in early 2017.

## <u>Linkage Fee, Inclusionary Housing, and Community Land Trusts and Other Shared Equity Models</u>

During the fourth quarter, DRP conducted a process to select a consultant to prepare an Affordable Housing Action Plan that includes requisite studies to support the establishment of a linkage fee and inclusionary housing policy. The Action Plan will include specific policy recommendations and actions for the establishment of linkage fees, an inclusionary housing policy, community land trusts, affordable housing preservation, and any additional policies to encourage affordable housing in the unincorporated areas. The consultant contract process is anticipated to be completed in January 2017.

## Other Affordable Housing Efforts: Second Unit Ordinance Update and Pilot Program

During the fourth quarter, DRP prepared an interim memo to assist with the implementation of new state laws on second units that take effect on January 1, 2017 (SB 1069 (Wieckowski) and AB 2299 (Bloom)). The interim memo will ensure continued compliance with the State Density Bonus Law until the ordinance update is completed. DRP also refined its draft ordinance update to reflect these new laws. DRP met with staff from CDC, DPW, and the Chief Executive Office (CEO) on a biweekly basis to finalize the structure of the Homeless Initiative pilot program for second units. To explore the feasibility of using factory-built housing in the pilot program, staff from DRP, DPW, CEO and CDC toured a homeless housing site built from shipping containers, as well as the facility where the housing units were assembled.

## II. ENVIRONMENTAL JUSTICE Toxic Hotspots Map/Green Zones Program

During the fourth quarter, DRP developed a draft toxic hotspots inventory map that identifies permitted facilities that are not in compliance with federal, state and local environmental regulations. However, based on staff review and stakeholders input, staff has determined that the map requires further analysis,

interpretation, and community input to illustrate cumulative impact and health risks. DRP is currently consulting with experts, including the University of Southern California Program for Environmental and Regional Equity (USC PERE), to discuss further map development.

## Other Environmental Justice Efforts: Recycling and Solid Waste Ordinance

During the fourth quarter, staff attended two DPW-led Roadmap to a Sustainable Waste Management Future Implementation Subcommittee meetings and finalized the first draft of the Recycling and Solid Waste Ordinance. Staff also met with CalRecycle representatives and confirmed the County's eligibility to participate in the Supplemental Environmental Projects (SEP) Program, which is an environmental justice program that allows entities in violation of environmental laws to voluntarily undertake environmental projects as part of settlement of an enforcement action.

### III. TOOLS

### **Equity Indicators**

During the fourth quarter, the Equity Indicators Workgroup Policy Subcommittee convened three meetings and developed a set of draft indicators for the Equity Indicators Tool. In the next quarter, the Geographic Information Systems (GIS) Subcommittee will display the indicator data as a set of GIS maps. The workgroup will then refine the selection of indicators and the tool for review by external stakeholders.

Staff reviewed new equity reports, tools, and resources on equity theory and best practices for implementation. Staff met with four groups to learn about their equity initiatives: the Trust for Public Land (Climate-Smart Cities LA Portal), the Advancement Project (Achieving Racial Equity Initiative), Investing in Place (advocacy efforts to align transportation funding with policy for social equity), and USC PERE (National Equity Atlas and Environmental Justice Screening Method).

### IV. STAKEHOLDER ENGAGEMENT

During the fourth quarter, DRP twice convened a group of equitable development stakeholders, comprised of representatives from legal aid organizations, funders, community organizers, public health experts, affordable housing developers, architects, and representatives from the real estate and building industry. In one meeting, DRP led breakout sessions in which stakeholders provided recommendations for specific indicators for the

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Equity Indicators Tool. In another meeting, DRP provided the group with a list of draft strategies to promote equity in land use decision-making for feedback. DRP also provided updates on the Equitable Development Work Program.

In addition, DRP continued to meet with stakeholders and staff from various departments and agencies to discuss environmental justice. DRP hosted its third Green Zones Stakeholder Meeting on December 7, 2016, which was attended by environmental justice advocates, researchers, and other stakeholders. DRP also convened the third inter-agency coordinating committee meeting on October 5, 2016, to discuss currently available environmental programs and resources, as well as ways to improve coordination among agencies. Both stakeholders and the inter-agency committee provided input on the Green Zones Program and the Recycling and Solid Waste Ordinance. In addition, DRP staff met one-on-one with some of the environmental justice advocates and grassroots organizations, and also attended environmental justice workshops hosted by the South Coast Air Quality Management District. DRP developed web resources for stakeholders to access detailed descriptions and information on the status of the programs discussed and it is available at planning.lacounty.gov/greenzones.

The next report back will be provided to you no later than March 30, 2017.

Should you have any questions about this report, please contact Connie Chung, General Plan Development and Housing Section, at (213) 974-6417 or cchung@planning.lacounty.gov.

RJB:MC:CC:ems

c: Executive Office, Board of Supervisors
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Public Works